



**Building The
Wireless Future™**

June 11, 1996

CTIA

Cellular
Telecommunications
Industry Association
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Washington, D.C. 20036
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Mr. William F. Caton
Secretary
Federal Communications Commission
1919 M Street, N.W. - Room 222
Washington, DC 20554

**Ex Parte Contact: Reciprocal Termination
CC Docket No. 95-185**

Dear Mr. Caton:

On Tuesday, June 11, 1996, the enclosed accompanying letter and attachments from Thomas E. Wheeler, President/CEO of the Cellular Telecommunications Industry Association (CTIA) to Chairman Reed E. Hundt regarding **CC Docket No. 95-185**, were delivered to the attached list of Commission staff.

Pursuant to Section 1.1206 of the Commission's Rules, an original and one copy of this letter are being filed with your office. If there are any questions in this regard, please contact me at (202) 736-2982.

Sincerely,

Dianna Morris
Executive Assistant
Policy and Administration

0+1

Rosalind Allen, Associate Bureau Chief , Policy Division, WTB
Larry Atlas, Associate Bureau Chief, CCB
Beverly Baker, Chief , Compliance and Information Bureau
Nancy Boocker, Senior Legal Advisor, WTB
Lyndon Boozer, Special Assistant, Office of Legislative Affairs
Karen Brinkmann, Senior Legal Advisor, Competition, WTB
John Cimko, Chief, Policy Division, WTB
James Coltharp, Special Advisor, Commissioner Quello
Howard Davenport, Chief, Enforcement Division, WTB
David Ellen, Special Counsel for Legislation Implementation, CCB
Michele Farquhar, Chief, WTB
Joseph Farrell, Chief Economist, OPP
Andrew Firth, CCB
Bruce Franca, Deputy Chief, Office of Engineering and Technology
David Furth, Chief, Commercial Wireless Division - WTB
Julius Genachowski, Counsel, Chairman Reed E. Hundt
Don Gips, Deputy Chief, International Bureau
Dan Gonzalez, Legal Advisor, Commissioner B. Chong
Pam Greer, CCB, Federal Communications Commission
Daniel Grosh, Senior Counsel, Policy Division, WTB
Michael Hamra, Legal Advisor to the Bureau Chief, WTB
Gina Keeney, Chief, CCB
William Kennard, General Counsel
Linda Kinney, Attorney, Commercial Wireless Bureau
Blair Levin, Chief of Staff, Chairman Reed E. Hundt
Kathleen Levitz, Deputy Chief, CCB
Susan Lewis-Sallet , Acting Director, Office of Public Affairs
Elizabeth Lyle, Senior Legal Advisor, WTB
Jane Mago, Senior Legal Advisor, Commissioner Rachelle B. Chong
Steve Markendorff, Chief, Broadband Branch, WTB

Jay Markley, Jr., Telecommunications Analyst, WTB
Elliot Maxwell, Deputy Chief, Office of Plans and Policy
Mary McManus, Legal Advisor, Commissioner Susan Ness
Pam Megna, Economist, Policy Division, WTB
Richard Metzger, Esq., Deputy Chief, CCB
Ruth Milkman, Senior Legal Advisor, Chairman Reed E. Hundt
John Nakahata, Legal Assistant, Chairman Reed E. Hundt
Sally Novak, Chief -- Legal Branch, WTB
Kathleen O'Brien- Ham, Chief, Auctions Division, WTB
Myron Peck, Deputy Chief -- Enforcement Division, WTB
Robert Pepper, Chief, Office of Plans and Policy
Dan Phythyon, Director, Office of Legislative Affairs
Greg Rosston, Deputy Chief Economist, Office of Plans & Policy
David Siddall, Legal Advisor, Commissioner Susan Ness
Richard Smith, Chief, Office of Engineering and Technology
David Solomon, Deputy General Counsel, Office of the General Counsel
D'Wana Speight, Legal Advisor, Wireless Communications Bureau
Thomas Stanley, Chief Scientist, Wireless Communications Bureau
Peter Tenhula, Special Counsel, Office of the General Counsel
Gerald Vaughan , Deputy Bureau Chief of Operations, WTB
Michael Wack, Deputy Chief, Policy Division, WTB
Jennifer Warren, Assistant Bureau Chief, WTB
Stanley Wiggins, Staff Attorney, WTB
Christopher Wright, Deputy General Counsel for Litigation, OGC
David Wye, Liaison to the Bureau Chief, WTB



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Thomas E. Wheeler
President / CEO

June 7, 1996

The Honorable Reed E. Hundt
Chairman
Federal Communications Commission
1919 M Street, NW
Room 814
Washington, DC 20554-0001

Dear Mr. Chairman:

I am writing to underscore the need for the Federal Communications Commission to adopt its "reciprocal termination" proposal (CC Docket 95-185) to govern interconnection compensation between LECs and CMRS providers. Specifically, I am writing in response to the erroneous representations made by the local exchange carriers that a recent interconnection agreement between Ameritech (Illinois Bell) and Cellular One - Chicago (Southwestern Bell Mobile Systems) supports their position in opposition to such an action by the Commission.

In point of fact, the Ameritech-Southwestern Bell interconnection agreement contains most, if not all, of the essential components of the FCC's "reciprocal termination" proposal which are being opposed by the LECs. In addition, the manner in which the Illinois Commerce Commission dealt with this agreement underscores the need for the FCC to assert jurisdiction over LEC-CMRS interconnection as Congress empowered it to do under Section 332 of the Communications Act.

The Ameritech-Southwestern Bell agreement incorporates the following principles, each of which is contained in the "reciprocal termination" docket and which CTIA urges the FCC to adopt:

1. The compensation between the LEC and the CMRS provider for terminating calls which originate on the other party's network is reciprocal (*i.e.*, they pay each other for terminating calls);
2. The reciprocal compensation is at a comparable price (*i.e.*, what one party pays the other for comparable services is the same which it charges for such service);

3. For CMRS-originated or terminated traffic, jurisdiction over LEC-CMRS interconnection is a Federal matter;

4. The resulting interconnection rate is substantially different from the average interconnection rate and is similar to the rates being negotiated with CLECs for interconnection.

Reciprocity

As you can see from the preamble of the attached Ameritech - Southwestern Bell Agreement, the express purpose of the parties is *"to establish a compensation arrangement in which they each pay the other for terminating calls."* This reciprocity is in marked contrast to current practice where the LECs extract tribute from the CMRS provider for call termination, but pay nothing to the CMRS carrier for terminating a call on the wireless network.

Comparable

It is also clear from the agreement that the intent of Ameritech and Southwestern Bell is to create compensation rates that are comparable. Under the agreement, the parties pay roughly the same per minute rate for terminating traffic. The differences, though small, are based on the distinct network architectures and related pricing elements of the parties. Specifically, as a traditional LEC, Ameritech offers termination at different levels of its network hierarchy -- the end office and tandem -- and it also charges for mileage. By contrast, because wireless networks are not hierarchical, Southwestern Bell offers only one means of interconnection. At the end of the term of the agreement Ameritech will be paying \$.005 per minute to terminate local calls on Southwestern Bell's network and Southwestern Bell will be paying approximately the same for local calls it terminates on Ameritech's network.

Federal Jurisdiction

Ameritech and Southwestern Bell also agreed (in section 7.1) that their agreement *"is not entered into pursuant to a request for interconnection under Section 251(c)(2) of the Telecommunications Act of 1996 ... and does not require approval by a state commission under Section 252(3) of the Act."* In a manner similar to that proposed by the Commission, the parties to the agreement have recognized that LEC-CMRS agreements are not governed by the Telecommunications Act, and are not subject to state regulatory jurisdiction.

What happened after the adoption of this agreement underscores the importance of why such agreements must be subject only to Federal jurisdiction. The parties originally entered into their agreement on March 22, 1996. On March 29, Ameritech advised the Illinois Commerce Commission that it was canceling its previous interconnection tariff

and introducing a new provision that allows negotiated terms and conditions for reciprocal compensation for the termination of traffic between Ameritech and CMRS carriers. Despite the express stipulation of the parties that their interconnection agreement was not subject to state regulatory approval, the Illinois Commission required Ameritech to submit the agreement to the state for approval. In response, on April 30, the parties revised the agreement to remove their stipulation concerning jurisdiction, and on May 6, 1996, Ameritech made a formal filing with the Illinois Commerce Commission requesting approval of the agreement. As a result, the ability of parties to enter into voluntary interconnection agreements has been jeopardized, and the FCC's ability to insure a competitive marketplace through reciprocal and comparably priced LEC-CMRS interconnection agreements has been threatened.

The fact that the Illinois Commerce Commission asserted jurisdiction and is reviewing the agreement as a matter within its jurisdiction reinforces the importance of why LEC-CMRS interconnection agreements must be subject only to Federal jurisdiction. Wireless technology utilizes airwaves which do not respect state boundaries, wireless carriers operate across state boundaries, and the Commission has licensed PCS in a manner in which 90 percent of all "pops" covered are in multi-state license areas. The effort of the state of Illinois to assert jurisdiction over a, clearly, interstate service will only be disruptive to the carriers and confusing to consumers and, thus, a graphic example of why the Commission must assert jurisdiction.

Reasonable Rate

The parties to the Agreement established a termination rate which is substantially below the three cent national average (and leagues below rates up to 15 cents charged by some LECs). The agreement calls for a phased-in rate, ending up at \$.0050. (See Attachment A.)

The parties tied Ameritech's CMRS interconnection rates to Ameritech's CLEC (or Alternative LEC) interconnection rate for end office and tandem interconnection by agreeing in Section 4.0 that the term of the agreement is the earlier of January 2, 1999 *"or such other date as the rate of compensation [for CMRS interconnection] are the same as the Ameritech rate for end office and tandem termination with ALECs ..."* CTIA agrees with this model, and believes that where parties cannot reach a voluntary agreement, the Commission should impose a rate which shall result in a LEC-CMRS interconnection rate no higher than that paid by CLECs for interconnection.

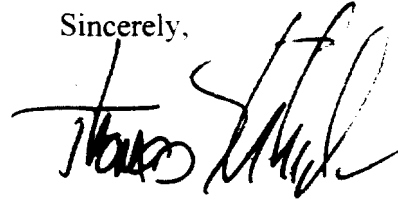
A Model for Commission Action

Mr. Chairman, we find ourselves in the interesting position of *supporting* a model which is being cited as the rationale *against* a Commission action which we strongly advocate. Ameritech and Southwestern Bell have shown the way -- they established that reciprocity at comparable and reasonable rates is good policy -- and their experience with the state of Illinois has graphically demonstrated that, absent FCC intervention, there will

be 50 different wireless interconnection policies carving up and disrupting the interstate wireless market.

We urge you and your colleagues to enact Docket CC 95-185 as quickly as possible and, in so doing, to incorporate the leadership of Ameritech and Southwestern Bell into Federal regulatory policy.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas E. Wheeler", written in a cursive style.

Thomas E. Wheeler

**Agreement Between Ameritech and
SOUTHWESTERN BELL MOBILE SYSTEMS for
Mutual Compensation for
Local Calling In Illinois**

This Agreement, dated March ^{22nd} 1996 ("Effective Date") is by and between Ameritech Information Industry Services, a division of Ameritech Services, Inc., a Delaware Corporation with offices at 350 North Orleans, Third Floor, Chicago, Illinois 60634 on behalf of Ameritech Illinois ("Ameritech") and Southwestern Bell Mobile Systems, Inc., d/b/a Cellular One-- Chicago, a corporation dually incorporated in Delaware and Virginia with offices at 930 North National Parkway, Schaumburg, Illinois 60173 ("SBMS").

WHEREAS, Ameritech receives local telephone calls which originate in SBMS' Wireless Network and Ameritech terminates those calls to parties on Ameritech's Landline Network; and

WHEREAS, SBMS receives local telephone calls which originate on Ameritech's landline network and SBMS terminates those calls to parties on SBMS' network; and

WHEREAS, the Illinois Commerce Commission ("Commission") in Docket No. 94-0096, et al. (Consolidated) ("ICC Order") directed and approved reciprocal compensation between Ameritech-Illinois and alternate local exchange carriers ("ALECs") for local calls at the rate of \$0.005 per minute of use for termination at end offices and \$0.0075 per minute of use for termination at tandems; and

WHEREAS, Ameritech and SBMS wish to finalize ongoing negotiations to establish a compensation arrangement in which they each pay the other for terminating calls;

NOW THEREFORE, in consideration of the covenants and undertakings set forth herein, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Ameritech and SBMS hereby agree as follows:

1.0 DEFINITIONS

- 1.1 Billing Option 2.** An Ameritech payment option which allows a Radio Common Carrier ("RCC") otherwise known

as a Commercial Mobile Radio Service "CMRS" provider, to choose, for each NXX code implemented, to have the landline customer pay Ameritech for that portion of the call from Ameritech's end office to the Rate Center/District location specified by the RCC for that NXX code.

- 1.2 Mobile Switching Center ("MSC"). An SBMS facility which links cellular phones to the Public Switched Telephone Network "PSTN" and handles the routing of traffic.
- 1.3 Tandem Switching. A Class 4 switching entity which is used to connect switch trunk circuits between and among central offices.
- 1.4 Type 2 Interconnection. An Ameritech service option which provides a two-point electrical communications path between the premises of wire line customers of Ameritech and the premises of an authorized RCC.
- 1.5 RCC NXX. The prefix of a telephone number specifically assigned for RCC service and used in conjunction with Type 2 service.

2.0 AMERITECH'S OBLIGATIONS

- 2.1 Beginning on July 1, 1996, Ameritech shall pay SBMS for terminating intralATA intrastate calls which originate on Ameritech's network in Illinois and which are delivered by Ameritech to SBMS in Illinois. This payment obligation shall apply only to Type 2, Billing Option 2 calls. Calls which are jointly carried by Ameritech and another facilities-based telecommunications carrier, including interexchange carriers, independent telephone carriers, alternative exchange carriers or wireless carriers, and which are terminated to SBMS are not within the subject matter of this Agreement. Payments for these calls shall continue to be made as they are being made as of the Effective Date of this Agreement. The parties shall use their best efforts to review these other payment arrangements as soon as reasonably possible. Compensation for any calls for which Ameritech does not charge the caller, including calls to 500, 800, 900 or 976 numbers, are not within the subject matter of this Agreement.

- 2.2 Beginning on July 1, 1996, Ameritech shall pay SBMS \$0.0064 per minute for calls originating on Ameritech's network and terminating on SBMS' network as described in Section 2.1 above. \$0.0064 per minute is the present local switching rate element level of Ameritech's Type 2 Wireless Access service under ICC Tariff No. 16. Thereafter, the rate shall be lowered in three phases on July 1, 1997, July 1, 1998 and January 1, 1999 to the levels set forth in Attachment A. The reductions shown on Attachment A are on a pro rata basis with respect to the now existing Ameritech and office termination rate established as a result of the ICC order.

The parties agree that if the effective end office termination rate established as a result of the ICC Order is adjusted up or down during the term of this Agreement, Attachment A will be amended to reflect pro rate adjustments based upon the adjusted effective rate. SBMS retains the right to support or object to any proposed adjustment to the effective end office termination rate established as a result of the ICC Order.

- 2.3 Appropriate modifications to ICC Tariff No. 16 will be made by Ameritech to implement the terms of this Agreement. The method for calculating minutes of use shall be the method specified in ICC Tariff No. 16, Section 15.5.3.

3.0 SOUTHWESTERN BELL MOBILE SYSTEMS, INC.'S OBLIGATIONS

- 3.1 Beginning July 1, 1996, SBMS shall pay Ameritech for terminating intraLATA local and non-local calls at the rates set forth below. For purposes of this Agreement, local calls are defined as those calls originated on SBMS' network and terminated at a point on Ameritech's network which is fifteen (15) miles or less in distance, as measured by the distance between the V&H coordinates from the Ameritech tandem where SBMS delivers the call to the Ameritech rate center corresponding to the NXX of the called party number. The rates set forth below shall only apply to calls originating on SBMS' network and delivered to Ameritech by SBMS. Calls which are originated by SBMS and jointly carried by SBMS, Ameritech and another facilities-based telecommunications carrier, including interexchange carriers, independent telephone

companies, alternate exchange carriers or wireless carriers, and which are terminated to Ameritech are not within the scope of this Agreement. Payments for these calls shall continue to be made as they are being made as of the Effective Date of this Agreement. The parties shall use their best efforts to review these payment arrangements as soon as reasonably possible.

- 3.2 Effective July 1, 1996, Ameritech shall reduce by ten percent (10%) the combined total per minute rate it charges SBMS for local switching and local transport provided in connection with the termination of SBMS local calls on Ameritech's network as set forth above and in accordance with Attachment B hereto. Thereafter, this rate shall be lowered in three phases on July 1, 1997, July 1, 1998 and January 1, 1999 to the levels set forth on Attachment B. The reductions shown on Attachment B are on a pro rata basis with respect to the now existing tandem termination rate established as a result of the ICC Order.

The parties agree that if the effective tandem termination rate established as a result of the ICC Order is adjusted up or down during the term of this Agreement, Attachment B will be amended to reflect pro rata adjustments based upon the adjusted effective rate. SBMS retains the right to support or object to any proposed adjustment to the effective rate for tandem termination established as a result of the ICC Order.

The parties agree that the reduction on July 1, 1997, July 1, 1998 and January 1, 1999 provided for above shall effectively reduce SBMS' per minute charge for local calls based upon the then current traffic distributions on a pro rata basis between the then effective per minute charge and the then effective tandem termination rate established as a result of the ICC Order; i.e., on July 1, 1997, 33 1/3% of the then difference; on July 1, 1998, 50% of the then difference; and on January 1, 1999, 100% of the then difference. Ameritech agrees to develop and share with SBMS the proposed rate changes and the methodology and calculations used in their development at least ninety (90) days in advance of the effective date of the rate adjustment for SBMS' concurrence and approval.

3.3 Effective July 1, 1996, Ameritech shall reduce by ten percent (10%) the combined total per minute rate it charges to SBMS for local switching and local transport provided in connection with the termination of SBMS non-local calls on Ameritech's network as set forth above and in accordance with Attachment C hereto. For purposes of this Section, non-local calls are calls that do not qualify as local calls under Section 3.1. Thereafter, this rate shall be lowered in three phases on July 1, 1997, July 1, 1998 and January 1, 1999 to the levels set forth on Attachment C. The reductions shown on Attachment C are on a pro rata basis with respect to the now existing Ameritech rates for intrastate Feature Group D local switching and local transport set forth in Ameritech's ICC Tariff No. 15. The applicable now existing Feature Group D rate elements and rates are set forth on Attachment D.

The parties agree that if the effective rates for intrastate Feature Group D local switching and local transport in ICC Tariff No. 15 are adjusted up or down during the term of this Agreement, Attachment C will be amended to reflect pro rata adjustments based upon the adjusted effective rates. SBMS retains the right to support or object to any proposed adjustment to the effective rates contained in ICC Tariff No. 15.

The parties agree that the reductions on July 1, 1997, July 1, 1998 and January 1, 1999 provided for above shall effectively reduce SBMS' per minute charge for non-local calls based on then current traffic distribution on a pro rata basis between the then effective per minute charge and the then effective per minute rate for intrastate Feature Group D local switching and local transport set forth in Ameritech's ICC Tariff No. 15; i.e., on July 1, 1997, 33 1/3% of the then difference; on July 1, 1998, 50% of the then difference; and on January 1, 1999, 100% of the then difference. Ameritech agrees to develop and share with SBMS the proposed rate changes and the methodology and calculations used in their development at least ninety (90) days in advance of the effective date of the rate adjustment for SBMS' concurrence and approval.

3.4 Appropriate modifications to ICC Tariff No. 16 will be made by Ameritech to implement the terms of this Agreement. The method for calculating minutes of use

shall be the method specified in ICC Tariff No. 16, Section 19.5.3

4.0 TERM

This Agreement shall commence on the Effective Date and terminate on the earlier of January 2, 1999 or such other date as the rate of compensation under Section 2.2 and Attachment A and the rate of compensation under Section 3.2 and Attachment B are the same as the Ameritech rate for end office and tandem termination with ALECs as contained in ICC Tariff No. 15, Part 19.4.2 (or any successor thereto), and Ameritech has implemented the rate reductions under Section 3.3 and Attachment C so the rates are equal to the then existing rate for intrastate Feature Group D local switching and local transport set forth in Ameritech's ICC Tariff No. 15 or any successor thereto. The term of this Agreement may be extended by mutual written agreement of the parties.

5.0 PAYMENT

5.1 Ameritech and SBMS shall invoice each other on a monthly basis. Both Ameritech and SBMS shall pay the undisputed portion of any invoice within thirty (30) days from the date of the invoice. Past due amounts shall be assessed a late payment penalty in the amount of one percent (1%) per month, or the highest rate allowed by law, whichever is higher.

5.2 There shall be no "netting" of the amounts due hereunder against any other amount owed by Ameritech or Cellular One to each other.

6.0 AUDIT

6.1 Either party may have performed an audit of the other party's network usage records or other records relevant to the subject matter of this Agreement no more than two times per year. Each party shall bear the expense of any audit it requests. Such audit shall be conducted by an independent auditor acceptable to both parties and shall be conducted on the premises of the audited party during normal business hours. Each party shall maintain network usage records relevant to the subject matter of this Agreement for a period of not less than six months.

6.2 If an independent auditor confirms any instances of misclassification of traffic and/or misreporting of traffic resulting in an undercharge of at least \$25,000 or a misclassification and/or misreporting of five percent (5%) of the traffic, then the party misclassifying and/or misreporting shall within fifteen (15) days of the completion of the audit compensate the other party at the proper rate for all such misclassified and/or misreported traffic, together with interest as provided in the Payment section. In addition, the party misclassifying and/or misreporting shall reimburse the other party for the fees of the independent auditor.

7.0 REGULATORY APPROVAL

7.1 Both Ameritech and SBMS stipulate and agree that this Agreement is not entered into pursuant to a request for interconnection under Section 251(c)(2) of the Telecommunications Act of 1996 ("Act") and does not require approval by a state commission under Section 252(e) of the Act.

7.2 Each party's obligation under this Agreement is expressly contingent upon and subject to any required regulatory filings and approvals, either state or federal, applicable to the subject matter hereof. The parties shall consult and cooperate in receiving any such approvals.

7.3 The terms and conditions of Ameritech's Tariff Nos. 15 and 16 continue to apply to the services provided by Ameritech to SBMS that are subject to this Agreement. The terms and conditions and the rates of Ameritech's Tariff ICC Nos. 15 and 16 continue to apply to the services provided by Ameritech to SBMS that are not subject to this Agreement.

8.0 CHANGED CIRCUMSTANCES

If Ameritech by contract and/or tariff offers services or facilities, which are the subject matter of this Agreement, to one or more other Illinois CMRS providers on terms and conditions which are more favorable than the terms and conditions contained herein, then upon thirty (30) days written notice, SBMS, in its sole discretion, may elect to replace this Agreement with the agreement containing the more favorable terms and conditions.

9.0 ASSIGNMENT

Neither party shall assign any right or obligation under this Agreement without the other party's prior written consent, which shall not be unreasonably withheld. Any attempted assignment shall be void, except that either party may assign monies due or to become due to it, provided that (a) the assigning party gives the other party at least thirty (30) days prior written notice of such assignment and (b) such assignment does not impose upon the other party obligations to the assignee other than the payment of such monies.

10.0 CONFIDENTIALITY

10.1 Each party shall protect the confidentiality of information provided by the other party, or to which the receiving party obtains access by virtue of its performance under this Agreement, that has been identified as confidential by the disclosing party. The receiving party shall use such information only for the purposes of this Agreement and shall not disclose it to anyone except its employees who have a need to know the information. These nondisclosure obligations shall not apply to information that is or becomes public through no breach of this Agreement, is received from a third party free to disclose it, is independently developed by the receiving party or is required by law to be disclosed. Confidential information shall be returned to the disclosing party upon its request. Any information provided pursuant to the terms and of this Agreement or provided in connection with an audit performed pursuant to Section 6.0 shall not be shared by either party with its affiliate or any agent, servant or contractor of any affiliate.

10.2 SEMS agrees not to disclose the Agreement to any other person or entity except as provided below:

- a) SEMS may disclose the Agreement to independent telephone companies in Illinois for the limited purpose of negotiating reciprocal compensation and meet point billing arrangements, provided that the independent telephone company to whom the Agreement is disclosed agrees not to disclose the Agreement and enters into a written non-disclosure agreement with SEMS to that effect;

- b) SBMS may disclose the contents of the Agreement, excluding prices or price methodology, to the ICC and the FCC.
- c) If SBMS receives any subpoena, data request or other legal demand from a court or Commission to produce the Agreement, SBMS shall provide Ameritech ten (10) days written notice before producing the Agreement and shall cooperate with Ameritech in seeking reasonable measures to limit the disclosure of the Agreement, including the entry of a protective order;
- d) If the Agreement is made publicly available by Ameritech, or if the Agreement becomes publicly available through no fault of SBMS, the non-disclosure obligation of this Section 10.2 shall no longer apply.

11.0 COMPLIANCE WITH LAWS

Each party shall comply with all applicable federal, state, and local laws, rules, and regulations applicable to its performance under this Agreement.

12.0 NOTICES

Notices given by one party to the other under this Agreement shall be in writing and shall be delivered personally, sent by express delivery service, certified mail or first class U.S. mail postage prepaid and addressed to the respective parties as follows:

To Ameritech:

Ameritech Information Industry Services
350 North Orleans
Third Floor
Chicago, Illinois 60654
Attn: Vice President Marketing & Sales Network Providers

with a copy to:

Ameritech Information Industry Services
350 North Orleans
Third Floor
Chicago, Illinois 60654
Attn: Vice President and General Counsel

To SBMS

Southwestern Bell Mobile Systems, Inc.
Vice President - Network Operations
930 North National Parkway
Schaumburg, Illinois 60173

with copies to:

Dennis K. Muncy
Meyer, Capel, Hirschfeld, Muncy, Sahn & Aldeen, P.C.
306 West Church Street
P. O. Box 6760
Champaign, Illinois 61826-6760

or to such other address as either party shall designate by proper notice. Notices will be deemed given as of the earlier of a) the date of actual receipt, b) the next business day when notice is sent via express mail or personal delivery or c) three (3) days after mailing in the case of first class or certified U.S. mail.

13.0 CHOICE OF LAW

This Agreement and any claims arising hereunder or related hereto, whether in contract or tort, shall be governed by the laws of Illinois, except provisions relating to conflict of laws.

14.0 NON-WAIVER

Failure of either party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege.

15.0 ENTIRE AGREEMENT

The terms contained in this Agreement and any attachment(s) referred to herein, which are incorporated into the Agreement by this reference, constitutes the entire agreement between the parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written. This Agreement may only be modified by a writing signed by both parties.

Southwestern Bell Mobile
Systems, Inc., d/b/a Cellular
One--Chicago

Ameritech Information Industry
Services, a division of
Ameritech Services, Inc., on
behalf of Ameritech Illinois

By: [Signature]

By: [Signature]

Date: March 22, 1996

Date: 4-3-96

Title: President

Title: Marketing Sales



Attachment A

Mutual Compensation Rate

Present	0
7/1/96	\$0.0064 per minute
7/1/97	\$0.0059 per minute
7/1/98	\$0.0055 per minute
1/1/99	\$0.0050 per minute

Attachment B & C

message band	7/1/96 local switching info	present message info	7/1/96 message info	7/1/96 Line switching plus message	traffic distribution	present percentage	7/1/96 percentage	7/1/97 percentage	7/1/98 percentage	7/1/99 percentage
0	0.0004	0.0070	0.0054	0.01204	55.61%	0.01604	0.01441	0.01211	0.00900	0.00750
0 to 5	0.0004	0.0114	0.0056	0.01500	39.20%					
0 to 15	0.0004	0.0120	0.01074	0.01714	11.00%					
15 to 20	0.0004	0.0137	0.0176	0.01815	0.40%	0.02100	0.01810	0.01713	0.01607	0.01502
20 to 25	0.0004	0.0147	0.01201	0.01001	20.07%					
25 to 30	0.0004	0.0149	0.01270	0.01010	9.13%					
30 to 40	0.0004	0.0155	0.01330	0.01070	5.70%					
40 to 55	0.0004	0.0174	0.01403	0.02133	0.05%					
55 to 70	0.0004	0.0107	0.01000	0.02330	0.00%					
over 70	0.0004	0.0210	0.01070	0.02510	0.00%					

Attachment D

Present Feature Group D
Rate Elements and Rates
and Present Composite Rates

ILL. C.C. NO. 15
16th Revised Page 229

Per Access Minute

Bundled Local Switching	.007196
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ILL. C.C. NO. 15
18th Revised Page 226

1. Tandem-switched Termination	.000311
2. Tandem-switched Facility (per mile)	.000040
3. Tandem-switching	.000947
4. Residual Charge	.005666

Present Feature Group D Composite Rate	.02160
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Addendum

This Addendum ("Addendum") dated April __, 1996 ("Effective Date") is by and between Ameritech Information Industry Services, a division of Ameritech Services, Inc., a Delaware corporation with offices at 380 North Orleans, Third Floor, Chicago, Illinois 60654 on behalf of Ameritech Illinois ("Ameritech") and Southwestern Bell Mobile Systems, Inc., d/b/a Cellular One - Chicago, a corporation duly incorporated in Delaware and Virginia with offices at 830 North National Parkway, Schaumburg, Illinois, 60173 ("SBMS").

WHEREAS, Ameritech and SBMS have entered into an Agreement Between Ameritech And Southwestern Bell Mobile Systems For Mutual Compensation For Local Calling in Illinois dated March 22, 1996; and

WHEREAS, Ameritech and SBMS desire to amend the Agreement as set forth below;

NOW THEREFORE, in consideration of the covenants and undertaking set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Ameritech and SBMS hereby agree as follows:

1. The third sentence of Section 2.1 of the Agreement is hereby amended as follows:

Calls which are jointly carried by Ameritech and another facilities - based telecommunications carrier, including interexchange carriers, independent telephone carriers, alternative exchange carriers or wireless carriers, and which are terminated to SBMS are not within the subject matter of this Agreement.

The effect of this amendment is to change the word "or" to the word "and".

2. The last sentence in Section 2.2 is hereby amended as follows:

The reductions shown on Attachment A are on a pro rata basis with respect to the now existing Ameritech end office termination rate established as a result of the ICC order.

The effect of this amendment is to change the word "and" to the word "or".

3. The last sentence in the second paragraph of Section 2.2 is hereby amended as follows:

SBMS and Ameritech retain the right to support or object to any proposed adjustment to the effective and office termination rate established as a result of the ICC order.

The effect of this change is to make the provision mutual.

4. The last sentence in the second paragraph of Section 3.2 is hereby amended as follows:

SBMS and Ameritech retain the right to support or object to any proposed adjustment to the effective rate for tandem termination established as a result of the ICC order.

The effect of this change is to make the provision mutual.

5. Section 7.1 is hereby deleted.

6. Section 8.0 is hereby amended to add the following language at the end of the paragraph:

... and shall be bound to all of the terms and conditions of that other Agreement.

7. Section 10.2 (a) is hereby amended to add the following language at the end of the paragraph:

... which shall be in a form acceptable to Ameritech.

8. Add the following new Section as Section 16.0:

SBMS shall be responsible for provisioning five separate trunk groups between its MSCs and Ameritech's network. The five trunk groups shall separately carry the following types of traffic:

- a. a trunk group for traffic from Ameritech to SBMS for calls which are subject to the Agreement;
- b. a trunk group for traffic from Ameritech to SBMS for calls which are not subject to the Agreement;
- c. a trunk group for traffic from SBMS to Ameritech for calls which are subject to the Agreement;
- d. a trunk group for traffic from SBMS to Ameritech for calls which are not subject to the Agreement; and

e. a trunk group for traffic from SBMS to Ameritech for calls routed to an interexchange carrier.

All trunks shall be provisioned and maintained at a P.01 grade of service.

If the parties agree that any of these trunk groups is no longer required for accurate billing, the parties shall eliminate one or more of these trunk groups.

IN WITNESS WHEREOF, the parties have executed this Addendum on the effective date first set forth above.

Southwestern Bell Mobile Systems, Inc.,
d/b/a CellularOne Chicago

Ameritech Information Industry
Services, a division of Ameritech
Services, Inc. on behalf of
Ameritech Illinois

By: 

By: 

Date: April 29, 1996

Date: 4-30-96

Title: PRESIDENT & CEO

Title: V.P. Marketing & Sales

